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— In the Market, page 6

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DRUG STORE NEWS

SECOND CLASS

Vol. 11/No. 12 Our 61st year of serving chains, wholesalers and high-volume independents Published by Lebhar-Friedman Inc. June 12, 1989

Revco WOWS Cleveland with Marathon Weekend

By James Frederick
CLEVELAND — Belying the financial problems which led to bankruptcy last year, Revco D.S. staged the most successful hometown marketing coup of its history last month with the Revco-Cleveland Marathon Weekend. The three-day event May 19-21 dazzled this city with the company's first-ever Health, Beauty & Fitness Expo, the first staging of the Revco-Cleveland Critterium Bike Races and the 12th annual running of the Revco-Cleveland Marathon and 10K race.

Running from Friday through Sunday, the festivities lured more than a quarter of a million people and generated a wealth of publicity and good will for the financially troubled drug chain in its home market. And with their growing reputation among world-class runners, the marathon and 10K race also focused national media attention on Revco.

Revco's Health, Beauty & Fitness Expo drew more than 100,000 consumers to the recently refurbished

See Revco, page 2



Photos: Paul Tepley

Marathon (above) generates international media attention and much local goodwill in Revco's hometown market.

CEO Boake Sells (left) pulls name of car winner from drum.

McKesson wins \$1.5B Wal-Mart drug contract

By David Vaczek
BENTONVILLE, Ark. — Wal-Mart has named McKesson to replace FoxMeyer as its only drug wholesaler, in a three-year contract valued by McKesson at \$1.5 billion.

The award is a major one, even for McKesson Drug Co., the nation's largest wholesaler with \$5.6 billion sales in its 1989 year.

Wal-Mart felt McKesson was better able to increase the frequency of store deliveries, particularly in Southeastern states where a high percentage of new Wal-Mart stores

are planned, Clarence Archer, Wal-Mart vp-pharmacy, told *Drug Store News*.

Dallas-based FoxMeyer, the nation's third-largest drug wholesaler at \$2.2 billion annual sales, loses an account that generated about \$300 million, or 14 percent of drug company revenue in its last fiscal year, a FoxMeyer source said. FoxMeyer controlled the fast-growing Wal-Mart business for the past four years with a contract due to expire Aug. 12.

McKesson will take over the See Wal-Mart, page 77

Drug Emporium set to rev franchises in metro New York area

COLUMBUS, Ohio — Drug Emporium is sweeping into the New York metropolitan area with two multi-store franchising packages that encompass several New York and New Jersey counties.

The deep-discount chain has signed a franchising agreement with WAC Drug Distributors to open multiple stores in New Jersey's Morris and Bergen counties and New York's Westchester and Rockland counties, plus the

Jackson Heights section of Queens, said Patrick Hiller, Drug Emporium's vp-franchising.

The Jackson Heights store will be the first to open in the New York ADI (area of dominant influence), Hiller said, adding that the 25,000-square-foot unit, in an existing building, will debut in August or September.

A second multi-store franchising package has been See Drug Emporium, page 77

LATE NEWS

• TWINSBURG, Ohio — Revco D.S. has won an extension from U.S. Bankruptcy Court in Akron of the period within which it can file a plan of financial reorganization. The court extended the filing deadline to Oct. 31, 1989. Revco also has until Jan. 29, 1990 to win approval of the plan by its creditors.

• PONTIAC, Mich. — Higher margins and expense controls continue to boost earnings at Perry Drug Stores, with net income up 163 percent in the second quarter ended April 30, to \$722,000. Pre-tax earnings for the first six months were \$4.9 million, compared with \$3.2 million for the same period last year. First-half sales were flat at \$344 million, due to a shift away from auto parts and an ongoing store remodeling program, said Perry chairman Jack Robinson.

• BOISE, Idaho — Albertson's expects to spend \$369 million in capital expenditures this year, and \$1.75 billion over the next five years, to add 200 new stores, remodel 175 existing units and add distribution centers, ceo Warren McCain said.

John Gans, Philly school dean, appointed to top APhA position

WASHINGTON — The American Pharmaceutical Association (APhA) has named John A. Gans as executive vp and ceo, said R. David Cobb, APhA chairman.

Gans, a member of APhA for 22 years and currently dean of pharmacy at Philadelphia College of Pharmacy and Science, is scheduled to take up his new duties in July.

His appointment follows a two-month executive search by a special committee headed by Philip P. Gerbino, APhA

trustee and chairman-elect, to find a replacement for Jack F. Schlegel, who resigned in March.

"We are elated to announce this appointment," said Cobb. "Dr. Gans has the vision and leadership qualities to move the association forward. He has distinguished himself in the field of pharmacy, with diverse experience in the areas of practice, research and education."



Gans

"In my opinion," said Gans, "APhA must provide the light, the vision, to serve as a beacon for all of pharmacy, directing us in these changing and challenging times to achieve our professional sense of purpose. We—the board, the membership of APhA, with affiliated state associations—need to set the agenda for safe and effective See Gans, page 77

NEWS IN BRIEF

Arbor Drugs posts 50% gains in income

TROY, Mich. — Arbor Drug posted a 50.2 percent gain in net income and a 19.2 percent increase in net sales for the third quarter ended April 30. The 86-store chain also reported a 14.2 percent rise in comparable-store sales for the period.

Third-quarter net income was \$1.97 million, compared with \$1.31 million for the like period a year ago. Net sales grew to \$73.8 million, from \$61.9 million for the quarter last year.

For the nine months, net income rose 35.8 percent, to \$6.7 million, from \$4.9 million for the year-earlier period. Nine-month sales were \$222.2 million, up 21.7 percent from the \$182.6 million in the prior year. Comparable-store sales for the nine months increased 14.1 percent.

After adjusting for a 3 for 2 stock split declared May 9, earnings per share for the third quarter were 21 cents, up from 14 cents. For the nine months, adjusted earnings per share were 70 cents, versus 52 cents last year.

Big B reports increase in 1st qtr. sales

BIRMINGHAM, Ala. — Big B reported a 50.5 percent increase in sales for the first quarter ended May 6, to \$105.6 million from \$70.2 million for the like period last year. The chain acquired 85 stores during the quarter. Net income rose to \$2.3 million from \$2.2 million, prior to the credit of \$503,000 for adjustment of deferred taxes.

Revco creates store operations post

TWINSBURG, Ohio — Seeking to beef up the flow of information and support functions from headquarters to stores, Revco D.S. has promoted Robert Thompson to the new post of director-store operations, effective May 28.

Thompson, 35, will serve as the link between all central departments and Revco's four operating regions, and direct store support efforts in communications and information. He will report to executive vp-stores Carl Bellini.

"We are well into the process of strengthening our stores and markets, and it's important that change be managed well," Bellini noted. "With his long Revco experience in pharmacy, merchandising and both store and field management, Robert has the skills and the empathy to see that improvements proceed as they should."

Thompson, an 11-year Revco veteran, last served as corporate liaison coordinating the closings of unprofitable stores. He began his career as a Revco pharmacist and store manager, moving up to area supervisor, district manager and regional merchandise manager in the Carolina region.

Leader joins Good Neighbor program

ORANGE, Calif. — The Leader group of 20 drug stores, based in northern California, has joined Bergen Brunswig Drug Co.'s Good Neighbor Pharmacy program.

The Leader stores will carry the Good Neighbor Pharmacy private label line and use the program's advertising, in addition to other merchandising and marketing resources the program offers its members.

Moore division names nat'l account vp

NEW BRITAIN, Conn. — Moore Medical Corp. has promoted John E. Dillaway to vp-national accounts for its H.L. Moore Drug Exchange division.

Dillaway, who has been with Moore since 1977, was most recently director of sales, a position he assumed in 1988. He served in distribution, then moved up to key account sales. In 1986 he was promoted to director of national accounts.

Unit growth, new formats head K mart's competitive strategy

By James Frederick

TROY, Mich. — Spurred by the twin challenges of Wal-Mart and a repositioned Sears, K mart Corp. is cranking up the level of competition, chairman and chief executive Joseph Antonini told shareholders here. The retail giant has already quickened its expansion pace, enlarged its core discount store format in line with its new "lifestyle" approach to retailing, lowered prices on thousands of items and pushed into new areas of specialty retailing.

Addressing K mart's 77th annual meeting May 23, Antonini predicted the nation's second-largest retailer will open 75 to 100 of its new, larger-format discount stores a year for the next five years—including some with pharmacies.

Plans for 1995

"By 1995, K mart will be operating a single chain of more than 2,500 retail stores in this country," he said. "Each store will be at least 75,000 square feet, and the average store will exceed 85,000 square feet."

"Complementing the 100 new full-size stores each year will be the physical expansion of 100 to 150 yearly to bring existing locations up to our new store requirements. . . Capital expenditures of \$1.3 billion will be allocated for this expansion

program."

To compete, K mart has lowered prices on 8,000 items in its discount stores in the last 18 months, Antonini said.

"We're going to continue to be sharper on price," he said. "Our goal is to improve inventory turnover by a minimum of point two-five percent chainwide each year over the next five years."

Following the meeting, Antonini reiterated the chain's commitment to pharmacy

operations in its discount stores. K mart now has Rx centers in roughly 1,100 of its 2,300 core units in the U.S. and Canada.

Meanwhile, the company is pushing harder than ever into specialty retailing.

K mart's specialty divisions include Pay Less Drug Stores Northwest, which last year opened 26 new units in the West to close fiscal 1988 with 269 stores. The chain will boost store count by more than 40 units this year, Antonini said.

Last year, Pay Less shifted its merchandising strategy, eliminating many promotional



Antonini expects to open 75 to 100 new stores annually through 1994, including some with pharmacy.

and food items to boost profits and turns and cut inventory investment. In K mart's most recent annual report, Antonini called Pay Less a well-operated, profitable company "with excellent growth prospects."

Activity was heavy on other retail fronts last year, as well. K mart launched four new specialty retail operations in 1988, including its first American Fare hypermarket outside Atlanta; its new Office Square and Sports Giant office supply and warehouse sporting goods businesses; and a joint warehouse club venture called Makro.

Revco's events weekend a hit

Continued from page 1

Cleveland Convention Center downtown—a crowd far larger than the 70,000 to 80,000 expected for the free, two-day event. The crowds were treated to product displays, sample giveaways and demonstrations by more than 150 exhibitors, as well as health screenings, entertainment, prize drawings and celebrity appearances.

Among the Expo's offerings were free cholesterol, blood pressure, body-fat and heart disease tests by the city's MetroHealth Medical Center; free oral health screenings by the Cleveland Dental Society; fashion shows and hair styling demonstrations; and the Safety Town course in auto safety for preschoolers. Exhibitors included Alberto-Culver, Chesebrough-Pond's, Clairol, Johnson & Johnson, Max Factor, Procter & Gamble, Upjohn and Revlon.

The expo's celebrity list included Reggie Jackson, Lou Ferrigno, Super Bowl MVP Doug Williams and Olympian Jim Ryun. Nutritionist Dr. Earl Mindell and fitness star Denise Austin were also on hand.

The expo was successful enough to have Revco officials talking excitedly about bringing it to other markets, possibly as early as this year. "We're considering taking this to other cities now, including possibly Charlotte, Atlanta, Dallas and Phoenix," said spokesperson Kathy Obert. "It was a huge success."

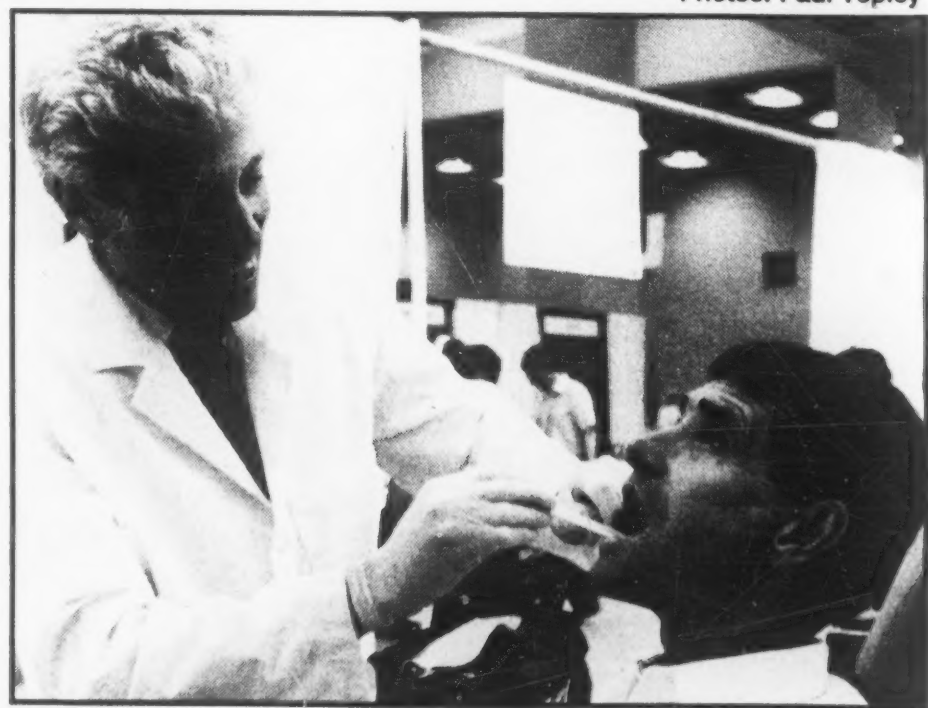
This year's marathon and 10K race drew some 15,000 runners from at least 40 states and 10 foreign countries. Among the competitors were some two-dozen world-class runners and, for the first time, the Russian National Marathon Team.

A total of \$155,000 in prize money went to winners of the foot and bicycle races. Co-sponsors of the race events included American Greetings, Fields of Nature Vitamins, Clairol, Coca-Cola and Eastman Kodak.



Revco's initial Beauty Expo drew thousands of consumers who learned beauty care tips and received free samples.

Photos: Paul Tepley



Former Olympic runner Jim Ryun gets dental screening from Mike Gallagher of Cleveland Dental Society during weekend of health and beauty events.

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TRENDS

Drug retailers pull out all the stops in \$2 billion videocassette tug of war

VCRs are now found in nearly two-thirds of all American households—anywhere from 61 percent to 66 percent of U.S. homes, depending on whose figures you accept—and electronics industry experts are debating on just when manufacturers will hit the saturation point for VCR penetration.

The home video revolution swept the U.S. with breathtaking speed in the 1980s, giving rise to what quickly became a major, \$2 billion industry in blank videocassettes. Since 1986, however, annual VCR sales have declined slightly as the market matures.

"Obviously the industry is working in large measure on a replacement market (for VCRs) now," said Tom Lauterback, spokesman for the Electronic Industries Association.

Trade class	Share of total market
Discount/department stores	31%
Hi Fi/stereo outlets	17
Drug stores	13
Supermarkets	12
Video specialty	11
Catalog showrooms	4
Household appliance stores	3
Others	9
Total	100

*Percentages are rounded
Source: Independent industry sales data provided by 3M.

ation. "I certainly think we'll go beyond a 70-percent saturation level for VCRs in U.S. homes, but I think the 90-percent level that some people are predicting for the industry is going to be hard to come by."

But as VCR sales mature, the market for camcorders is taking off. That factor may help spur tape sales.

One thing is already apparent: the slowdown in new VCR sales is putting the brakes on the runaway

growth of the blank videocassette market.

Blank videotape sales, which three years ago were booming ahead at a growth clip of 30 percent a year, are now making more modest gains in the single digits.

The Electronics Industries Association projects a 4.3-percent gain in tape sales in 1989, to 310 million units; 3M, the leading manufacturer, expects sales to rise a slightly more healthy 5.6

Continued on page 65

Blank videotape purchases for households with VCRs and video cameras*

Average number of tape purchases	For VCR use	For video camera use
None	8.0%	5.7%
1-2	13.7	18.0
3-5	23.8	41.2
6-10	29.5	23.7
More than 10	25.0	11.4

*Based on a survey of households with VCRs and video cameras, for a recent 12-month period.

Source: Photo Marketing Association 1988 consumer survey.

Major chains promote name brands of audio, videotapes

Osco Drug

Kodak Blank VHS T-120 Video Cassettes

Each tape provides up to 6 hours of playing time.

3\$10 for

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Maxell Family of Products

3.99 each Video or Audio Cassettes T-120 EX Standard Video Cassette, XLI-90 Audio Cassette, High Bias, 2-pack

4.99 each Video Cassette T-120 HGX High-Grade

• UR-60 Audio Cassette Normal Bias, 2-pack 1.99
• UR-90 Audio Cassette Normal Bias, 2-pack 2.49

Walgreens

SONY METAL VHS R 60

MP 120

See Our Selection of Audio/Video Cassettes

• Sony Micro Cassette 3MC-60 Pack of 3
• 8mm Metal MP Video 2-hr. Cassette

FREE TDK AUDIO CASSETTE CARRYING CASE Holds Up To 10 Tapes

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• Chrome Extra II

3.99

"Take the Chrome Challenge!"

Buy a specially marked 2-block of Chrome Extra II C 90 audio tapes. If you are not completely satisfied with the crystal clear sound of BASF, return them to BASF in exchange for two tapes from selected competitors. See our store display for details!

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CVS

Scotch Videocassettes Twin Pack

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Our Regular 9.98
EG T120, 2, 4 or 6 hours
FREE POST-IT NOTE PAD!

BONUS VALUE

Longs Drugs

Polaroid Video

POLAROID VHS BLANK VCR TAPES

Stock up now on blank video cassette tapes to record your favorite programs. Supercolor Polaroid at a super price! #T120 **2.99**

Major drug chains devote frequent advertising space to top brands of blank video and audio tapes, satisfying home entertainment needs and generating replenishment business.

Blank videotapes

TRENDS

Videotapes promotion-driven, say most drug chain retailers

Chain drug merchandisers are generally satisfied with the turns and margins they're getting from blank videotapes, but stiff price competition in most parts of the country has forced them to promote the category aggressively to hold market share.

"This is a price-sensitive market," said Ken Fossaceca, general merchandise buyer for Cleveland's Medic Discount Drug. "The cost has been somewhat stable for a while, but if the consumer sees a price on tape she doesn't like, she'll go elsewhere."

Medic has achieved a 15-percent growth rate through aggressive promotion and up-front merchandising, right at the checkstands, Fossaceca said. The chain recently began warehousing its videotapes to keep up with demand.

One of the most aggressive tape marketers has been Seattle's Bartell Drug Co. The chain runs a promotional price on at least one major brand of videotape "usually three out of every four weeks," said sundries buyer Paul Loughren. The result: customers can usually find at least one major brand on sale at Bartell for a promotional price of \$3.49.

Occasionally, Bartell drops the price as low as \$2.99.

Even so, said Loughren, margins for blank videotape are in the 20-percent range. Sales, he added, have been "steady and consistent."

"We seem to have our own little niche now in this market, since some of the other chains here have

backed off a little over the past year in their promoting of tapes," he said.

Another aggressive videotape promoter is Virginia's Standard Drug Co. The chain has achieved a strong, 30-percent growth rate this year with tapes on a small base through aggressive advertising and discounting, said merchandise manager Chris Hayman.

"We feature them at \$3.99 and under, and we try to promote them often," he said. "The growth we've gotten has resulted from us taking a concerted effort to promote heavily; we've driven sales."

Even on promotion, he said, tape margins are respectable. "There's some pressure with the competition, and the price has come down, but videotapes are still an item we can feature and make 25 percent on."

Rite Aid, on the other hand, promotes its videotapes only occasionally in circulars, said spokesperson Amy Lilly. Nevertheless, she said, the category is "very important for us."

"We've found in recent months that the video industry is plateauing, but tapes are a strong business for us," Lilly said.

Rite Aid carries videotapes both on an in-line section with audiotapes, and on promotional floorstands

A shifting market: Blank videotape purchases for VCR use, by brand

Brand	Year	
	1985	1988
Scotch/3M	29.1%	22.0%
Maxell	10.1	14.5
Kodak	3.9	12.8
TDK	11.2	10.9
Memorex	7.3	8.5
Polaroid	3.3	7.2
Sony	12.8	6.6
Fuji	4.5	3.9
Panasonic	5.0	1.3
All others	12.8	12.3

Source: 1988 survey of household video equipment use by Photo Marketing Association.

Drug chains pull out the stops in \$2B videotape tug-of-war

Continued from page 63 percent this year, to 322 million units.

Either way, the blank videotape industry has matured into a high-stakes battle for market share. And with unit sales projected to rise by just 3 percent a year by 1992, the competition is sure to get hotter.

Chains holding their own

Drug chains are holding their own in the market share tug-of-war, with about 13 percent of total sales, according to 3M Corp. This represents a slight rise from the previous year's share, according to industry estimates provided by the company, and it can be attributed to aggressive promotion and the well-publicized fact that women now account for half of all blank videotape sales.

But supermarkets are close behind with 12 percent of the market. Food stores are scoring rapid gains in videotape sales with their aggressive promotional and merchandising programs aimed at women, who shop their stores an average of three times a week.

Last year, supermarket sales of videotapes shot up 28 percent, according to the Food Marketing Institute.

Sales of home video products: VCRs and tapes mature but camcorders take off

Item	Sales (in millions of units)		
	1987	1988	1989 (projected)
Blank tapes	273.8	296.9	310.0
Home VCRs	12.8	12.6	N/A
Camcorders	1.6	2.0	2.5

Source: Electronic Industries Association

when the occasion warrants. The chain usually offers at least five brands, including one low-end promotionally priced brand, on an everyday basis.

Some chains generally avoid a low-end tape brand. "The quality of product has to be there or you risk losing a customer," said Med-

ic's Fossaceca. "We bring in a knockoff brand only for a promotion."

"We've stayed away from the low-end," agreed Standard's Hayman. "I think customers want better quality now, and they're not as willing to trade down. The low-end tapes we've seen just aren't satisfactory."

NASM meeting in Reno

CHICAGO — The National Association of Service Merchandising (NASM) will hold its all-industry annual convention October 27 through November 2 at Bally's Casino Resort in Reno, Nev.

Eighteen new distributor companies and 26 new manufacturer companies have joined NASM since the beginning of the year. This year's convention will utilize a more productive format. H&BA business exclusively will be conducted between October 28 through October 30. Then, general merchandise business will convene October 30 and continue through November 2. Over 300 manufacturer companies and 80 distributor companies will attend.

For more information, please contact NASM at 118 S. Clinton St., Suite 300, Chicago, Ill. 60606; (312) 876-9494.

POPAI's 43rd trade show set for this October in NYC

NEW YORK — The Point-of-Purchase Advertising Institute's (POPAI) 43rd annual trade show exhibit, Marketplace '89, will be held Oct. 31 through Nov. 2 at the Jacob Javits Convention Center.

More than 7,000 POP marketers will participate in the show, which is expected to feature 350 booths. Highlights of the show include a state of the industry press conference, the Outstanding Merchandis-

ing Award program, and marketing research seminars.

For more information, contact POPAI at (201) 894-8899; 66 N. Van Brunt St., Englewood, N.J. 07631.

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FINANCIAL

Fay's shareholders get 10% stock dividend

LIVERPOOL, N.Y.—Fay's board of directors has endorsed a 10-percent stock dividend and a 5 cents per share quarterly dividend, chairman Henry Panasci, Jr. told shareholders at the annual meeting here May 23.

The stock dividend on Fay's common shares will be distributed July 3, and the regular quarterly dividend—payable July 14—was a 10-percent boost to the cash dividend paid per share for shares held as of June 15.

In reviewing the past year, Panasci pointed out that significant new directions were taken, resulting in the company's most successful year. While net earnings reached an all-time high of \$10 million, earnings per share of 73 cents were 28 percent higher than Fay's has ever achieved and almost three times the per-share earnings of the 1987

year.

The year included a reorganization of top management that underlined the company's commitment to its three-pronged retail strategy in drug stores, office supplies, and auto parts.

"During the past year, Fay's senior management devoted itself to the creation of a strategic plan and implementation of a management structure that would provide the direction needed to sustain and build upon achievements of the last two years," Panasci said.

"This involved taking a hard look at such things as the strengths and weaknesses of our business and that of our competition; the nature and character of our markets; and, maybe most importantly, taking a hard look at ourselves, as individuals, and how we function as a management team,"

Panasci added.

Fay's five-year plan calls for as many as 280 super drug stores, 120 Wheels Discount Auto supply stores and as many as 90 Paper Cutter stores by 1994, when the \$1 billion revenue goal will be achieved, Panasci said.

The shareholders endorsed a board of directors' recommendation to change Fay's name to Fay's, Inc., which the

board felt better reflected the company's diverse businesses than the former name of Fay's Drug Co., Inc.

New systems are planned to improve drug stores' profitability, which gained substantially last year with the help of a 17.5-percent increase in same-store prescription sales. POS checkout systems will be installed in 69 drug stores.

Also last month, Fay's post-

ed its twelfth consecutive quarter of improved sales and earnings for the first quarter ended April 30.

While first-quarter sales grew 7 percent to \$131.1 million, net earnings climbed 48 percent to \$1.34 million, or 10 cents per share.

Gross margin improvement and cost controls helped earnings, as did a 10.3-percent increase in same-store sales.

Longs posts increases in 1st-qr. sales and net, hikes quarterly dividend

WALNUT CREEK, Calif.—Longs Drug Stores posted a 10-percent increase in sales and a 9-percent rise in net income for the first quarter, Robert Long, president, announced at the chain's annual meeting.

Also at the meeting, shareholders re-elected five incumbent directors and approved an amendment to the Long-Term Incentive Plan of 1987.

Following the annual meeting, Longs' board of directors voted a 9-percent increase in the quarterly dividend and re-elected the company's principal officers.

Unaudited sales for the first quarter ended April 27 were

\$492.8 million, compared with last year's \$450.0 million. Unaudited net income was \$14.4 million, or 71 cents per share, versus \$13.3 million, or 65 cents per share, for the comparable period last year.

The 9-percent increase in the quarterly dividend, from 22 cents to 24 cents, marks the 26th consecutive year that Longs has increased its dividend, the company said.

Longs operates 237 stores in California, Hawaii, Alaska, Arizona, Nevada and Colorado, with 11 additional units under construction and several other stores in various stages of planning.

Wal-Mart reports net, sales hikes for first quarter ended April 30

BENTONVILLE, Ark.—Wal-Mart posted a 29-percent boost in net income and a 25-percent increase in sales for the first quarter ended April 30.

Net income rose to \$198.3 million, on sales of \$5.4 billion, compared with net income of \$153.5 million and sales of \$4.3 billion for last year's first quarter. Net income per share increased to 35 cents from 27 cents per share in the like peri-

od last year.

For the month of April, net retail sales were \$1.98 billion, a 25 percent gain over the \$1.58 billion reported for the same period a year ago.

As of April 30, the company operated 1,279 Wal-Mart stores, 106 Sam's Wholesale clubs, 14 Dot Discount Drug stores and three Hypermart*USA stores, two of which are operated in joint ventures with Cullum Companies.

		STOCK PRICE							EARNINGS/SHARE			P/E	DIVIDENDS			
		From 05/12/89 - 05/26/89							Last Fiscal Year	Latest 12 Months vs Preceding 12 Months Change		Latest P/E Ratio	Indicated Div. Rate			
Name	Symbol	High	Low	Close	Change		52-Week			Amt.	Pct.		Amt.	Pct.	Amt.	Yield
					Amt.	Pct.	High	Low								
		\$	\$	\$	\$	%	\$	\$	\$	\$	%	-	\$	%		
Chain Store transactions																
Am Stores	ASC	63.50	60.13	63.00	2.38	3.92	65.00	47.63	2.54	-1.65 f	-39.4	24.8	1.00	1.6		
Arbor Drugs	ARBR	24.25	23.50	23.50	-1.00	-4.08	24.75	11.25	1.05	.32 s	35.2	19.1	.16	.7		
Big B	BIGB	11.50	10.88	11.38	-.13	-1.09	15.88	10.75	.91	-.03 f	-3.2	12.5	.16	1.4		
Fay's Drug	FAY	13.13	11.50	12.88	1.13	9.57	13.13	8.00	.73	.31 q	67.4	16.7	.20	1.6		
Genovese Drug	GDX	12.75	12.00	12.25	-.50	-3.92	12.88	8.75	.83	.20 f	31.7	14.8	.22	1.8		
Longs Drg Strs	LDG	38.75	36.25	38.75	1.75	4.73	38.75	33.63	2.75	.35 q	14.2	13.8	.96	2.5		
Medicare Glaser	MGCO	5.75	5.75	5.75	.00	.00	5.88	1.88	-.10	-.23 n	-100.0	NE	.00	.0		
Medicine Shoppe	MSII	29.00	28.25	29.00	-.25	-.85	29.50	20.75	1.11	.30 s	31.6	23.2	.10	.3		
Perry Drug	PDS	11.38	10.50	10.88	.13	1.16	13.50	5.25	-3.15	-.17 q	NE	NE	.00	.0		
Rite Aid Corp	RAD	35.75	33.75	35.38	1.25	3.66	39.00	29.13	2.30	-1.11 f	-32.6	15.4	.82	2.3		
Walgreen Co	WAG	40.75	38.88	39.50	.00	.00	40.75	27.13	2.10	.43 s	22.4	16.8	.68	1.7		
Wholesaler's transactions																
Alco Hlth	AAHS	25.25	24.00	25.25	1.00	4.12	30.25	21.25	1.55	-.11 q	-7.4	18.3	.06	.2		
Bergen Bruns	BBCA	29.50	28.25	29.25	.63	2.18	30.25	18.75	1.78	.89 s	67.9	13.3	.32	1.1		
Bindley Wstrn	BIND	8.50	8.00	8.00	-.25	-3.03	10.00	6.63	.58	.22 q	68.8	14.8	.00	.0		
Cardinal Distrib	CDIC	21.50	20.25	20.25	-2.00	-8.99	22.25	12.84	2.37	1.16 f	95.9	8.5	.08	.4		
Durr Fillauer	DUFM	21.25	20.88	21.25	.00	.00	21.50	11.88	.92	.09 q	9.7	20.8	.24	1.1		
Ketchum	KCH	5.75	5.25	5.25	-.63	-10.64	10.38	4.75	-4.73	-1.44 q	NE	NE	.00	.0		
McKesson Cp	MCK	33.50	32.25	32.63	-.50	-1.51	35.88	29.63	2.30	.07 f	3.1	14.2	1.44	4.4		
Moore Med	MMD	13.00	12.63	12.88	-.13	-.96	15.63	9.00	-2.17	-4.00 q	-100.0	NE	.00	.0		
Owens Minor	OMI	12.75	11.38	12.00	-.25	-2.04	15.88	11.38	1.00	-.07 q	-7.4	13.6	.26	2.2		
Manufacturer's transactions																
Abbott Labs	ABT	60.88	57.75	58.75	.75	1.29	60.88	43.50	3.33	.53 q	18.2	17.0	1.40	2.4		
Am Home Prod	AHP	96.63	93.00	93.88	.75	.81	96.63	70.88	6.38	.66 q	11.2	14.3	3.90	4.2		
Baxter Intl	BAX	21.88	20.00	21.75	1.50	7.41	22.50	16.25	1.31	.15 q	12.6	16.2	.56	2.6		
Block Drugs Co	BLOCA	35.25	33.50	35.25	1.00	2.92	35.50	26.75	2.29	.31 n	14.2	14.1	.64	1.8		
Bolar Pharm	BLR	28.75	25.63	28.00	1.88	7.18	28.75	16.38	1.51	.45 q	41.3	18.2	.04	.1		
Bristol-Myers	BMJ	51.25	49.13	50.38	.00	.00	51.25	39.00	2.88	.38 q	14.7	17.0	2.00	4.0		
Carter-Wallace	CAR	45.50	41.88	45.13	3.25	7.76	45.50	33.13	2.97	.47 f	18.8	15.2	.68	1.5		
Forest Labs	FRX	32.38	29.25	31.38	.38	1.21	32.38	19.25	1.20	.24 f	25.0	26.1	.00	.0		
ICN Pharm	ICN	6.63	6.25	6.63	.25	3.92	7.75	5.63	.23	1.82 q	NE	51.0	.00	.0		
Lee Pharm	LPH	4.63	4.00	4.13	-.13	-2.94	7.13	3.75	-.23	.49 s	NE	NE	.00	.0		
Leiner P Nutri	PLI	17.63	17.00	17.63	.13	.71	18.00	9.13	.86	.10 n	10.9	17.3	.00	.0		
Lilly Eli Co	LLY	58.50	54.75	55.88	-1.25	-2.19	58.50	39.19	2.67	.53 q	22.8	19.6	1.35	2.4		
Marion Labs	MKC	28.25	26.38	27.38	.88	3.30	28.25	15.25	.96	.39 n	44.3	21.6	.36	1.3		
Merck & Co	MRK	72.88	67.75	70.50	.13	.18	72.88	51.25	3.05	.80 q	33.1	21.9	1.64	2.3		
Morton Thiokol	MTI	47.63	45.75	46.38	.50	1.09	50.00	35.63	3.33	-.82 n	-24.8	18.7	.92	2.0		
Mylan Labs	MYL	10.00	8.88	10.00	1.00	11.11	13.25	7.50	.50	-.20 f	-28.6	20.0	.10	1.0		
Newport Pharm	NWPH	6.50	5.81	6.19	.06	1.02	6.56	1.75	-.45	-.42 q	NC	NE	.00	.0		
Par Pharm	PRX	11.00	9.50	10.63	.75	7.59	18.50	7.88	.99	-.12 q	-11.3	11.3	.04	.4		
Pfizer Inc	PFE	64.25	60.25	61.25	-3.00	-4.67	64.25	49.63	4.70	.56 q	13.1	12.7	2.20	3.6		
Robins, AH	ORAH	27.88	27.13	27.13	.00	.00	28.38	21.88	2.42	67.78 q	NE	10.8	.00	.0		
Rorer Group	ROR	42.00	37.38	41.25	1.38	3.45	48.25	32.00	1.96	-.55 q	-21.6	20.6	.80	1.9		
Scherer RP Cp	SCHC	30.13	30.00	30.00	.00	.00	33.38	19.25	.76	-.28 f	-26.9	39.5	.40	1.3		
Scher Plough	SGP	68.50	65.50	67.38	.88	1.32	68.63	49.50	3.48	.77 q	26.4	18.3	1.80	2.7		
Squibb Corp	SQB	83.50	77.63	81.13	.25	.31	83.50	60.00	4.30	.85 q	23.3	18.0	2.00	2.5		
Syntex Corp	SYN	48.75	43.88	47.75	1.25	2.69	48.75	35.00	2.51	.42 s	18.2	17.5	1.50	3.1		
Upjohn Co	UPJ	33.50	31.00	32.00	.00	.00	34.50	27.00	1.90	.24 q	14.0	16.4	.88	2.8		
Warner-Lambert	WLA	92.75	87.00	89.75	-.50	-.55	92.75	63.50	5.00	.92 q	21.1	17.0	2.56	2.9		
Zenith Labs	ZEN	1.75	1.50	1.50	-.13	-7.69	2.75	1.00	-.56	-.49 n	NE	NE	.00	.0		
Other Retailer transactions																
Albertson's Inc	ABS	46.88	44.75	45.63	.75	1.67	46.88	30.00	2.44	.56 f	29.8	18.7	.80	1.8		
K mart Cp	KM	39.50	37.50	37.88	-.63	-1.62	40.38	31.25	4.00	-.44 q	12.8	9.8	1.64	4.3		
Melville Cp	MES	45.00	42.38	44.63	2.25	5.31	45.00	31.00	1.63	-1.12 q	-40.6	27.2	1.30	2.9		
Penney, JC	JCP	60.13	58.00	59.00	.25	.43	60.13	44.50	6.02	1.87 q	45.0	9.8	2.24	3.8		

All data are based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

FOOTNOTES

- NA - Item not applicable to this type of stock.
- NC - Data required for calculation currently incomplete in our files.
- NE - Negative earnings invalidate calculations.
- NM - No meaningful figure.
- q - First quarter
- s - First six months
- n - First nine months
- f - Fiscal year

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